

JULY 23, 1999

Dear State Medicaid Director:

This is the latest in a series of letters from the Health Care Financing Administration to inform you of its progress in preparing for the year 2000 (Y2K) and provide information on Y2K issues that may be helpful to you. Please find enclosed a [fact sheet](#) that speaks to the pharmaceutical industry's readiness to ensure the uninterrupted supplies of pharmaceuticals in the new year.

As you know, many providers and consumers are concerned about their ability to get drugs and other pharmaceutical supplies in January 2000. To address this concern, the Pharmaceutical Industry Roundtable recently was convened by the President's Council on Year 2000 Conversion. Roundtable participants included a wide range of manufacturers, industry groups, retailers, providers, and others involved with the production, distribution, and sale of pharmaceuticals.

The enclosed fact sheet provides highlights from the Roundtable, as well as a list of participant organizations. The bottom line is that the pharmaceutical industry is confident that pharmacists, governments, providers, and consumers should not experience any problems in getting the pharmaceuticals they need. The industry has adequate stocks on hand, as well as emergency response plans should problems arise. The Roundtable suggests that consumers request refills when there is a 5-to-7-day supply remaining of medications. Adopting strategies or other policies that encourage or require longer prescription drug supplies is counter productive and may actually precipitate drug shortages.

Please feel free to reproduce and distribute this fact sheet to interested parties in your State. If you have questions, or need additional information, please contact Mary Hogan, our Y2K program coordinator, at 410-786-6333.

Sincerely,

/S/

Sally K. Richardson Director

Enclosure

cc: All HCFA Regional Administrators All HCFA Associate Regional Administrators for Medicaid and State Operations Lee Partridge American Public Human Services Association Joy Wilson National Conference of State Legislatures Matt Salo National Governors' Association

PRESIDENT'S COUNCIL ON YEAR 2000 CONVERSION

Pharmaceutical Industry Roundtable

Academy of Managed Care Pharmacy Government agencies and organizations within the pharmaceutical industry supply system (including manufacturers, group purchasers, distributors, pharmacies, mail order pharmacies, hospitals, physicians, pharmacists, patient advocates, and insurers) have been working closely together to prepare for the Year 2000 (Y2K) date change and its impact on the supply of pharmaceuticals. Substantial progress has been made and government and industry are confident that the pharmaceutical supply system should continue to function normally through January 1, 2000.

American Association of Health Plans

American Hospital • Local pharmacists will be within easy access of a substantial supply of
Association pharmaceuticals. The industry typically operates with an average 90-day supply in the distribution system among manufacturers, distributors, and pharmacies.

American Medical Association

American • It is advisable to get a normal refill of your medication when you have a 5
Pharmaceutical to 7 day supply of medication remaining. This is good practice for January
Association 1 1 2000 and for any other time. The supply system is resilient and can
correct any issue that might arise within 5 to 7 days.

American Red Cross

Department of Defense • The pharmaceutical industry has emergency response plans in place and extensive past experience using these plans in handling disruptions caused by severe weather, transportation, or other unforeseen occurrences.

Department of Health and Human Services

Food and Drug Administration

- Government and organizations within the supply system that manufacture, purchase, distribute, and provide prescription and nonprescription medicines and medical supplies are continuing to work together to further enhance contingency planning for Y2K-specific issues throughout the supply system.

Health Care Financing

Administration Department of Veterans Affairs ● If you use prescription medications and have any questions about your Affairs supply, we recommend that you speak with your local pharmacist or doctor.

Health Industry Distributors Association Health Insurance Association of America National Association of Chain Drug Stores National Wholesale Druggists' Association Pharmaceutical Research and Manufacturers of America

PRESIDENT'S COUNCIL ON YEAR

2000 CONVERSION Pharmaceutical Industry Roundtable

The following organizations and individuals participated in the May 17, 1999, Y2K Pharmaceutical Roundtable:

Academy of Managed Care Pharmacy	Glaxo Wellcome	Bindley Western Drug Company
Aetna, Inc. Health Care Financing Administration		Health Industry Distributors Association
American Association of Health Plans		Health Industry Group Purchasing Association
American Health Care Association		Health Insurance Association of America
American Hospital Association		Joint Commission on Accreditation of Healthcare Organizations
American Medical Association		Kaiser Permanente
American Pharmaceutical Association		Kapos Associates
American Pharmaceutical Association		Laurene West, Patient Advocate
Foundation American Red Cross American		McKesson-HBOC
Society of Health-System Pharmacists		National Association of Boards of Pharmacy
America's Blood Centers		National Association of Chain Drug Stores
AmeriNet, Inc.		National Association of Insurance Commissioners
AmeriSource Corporations		National Association of Pharmaceutical Manufacturers
Association for the Advancement of Retired Persons		National Community Pharmacists Association
Association of Military Surgeons of the U.S.		Department of Veterans Affairs
Booz-Allen & Hamilton, Inc.		Prescription Solutions/A Pacificare Company
National Medical Association		Drug Enforcement Agency
Bristol-Myers Squibb Company		President's Council on Year 2000 Conversion
National Retail Federation		Eckerd Corporation
Cardinal Health, Inc.		Rx2000 Solutions Institute
National Wholesale Druggists' Association		Eli Lilly and Company
Center for Y2K and Society		U.S. General Accounting Office
Odin Group		Federal Trade Commission
Columbia/HCA Health Care Corporation		U.S. Office of Personnel Management
PCS Health Systems, Inc.		Food and Drug Administration
Copley Pharmaceutical, Inc.		U.S. Senate Special Committee on the Year
Pharmaceutical Research & Manufacturers of America		Genentech, Inc.
Department of Defense		2000 Technology Problem
Pharmacia & Upjohn, Inc.		Generic Pharmaceutical Industry Association
Department of Health and Human Services		Walgreens Co.
Premier, Inc.		